

AMENDED IN ASSEMBLY JULY 14, 2009

AMENDED IN ASSEMBLY JUNE 30, 2009

AMENDED IN SENATE APRIL 13, 2009

SENATE BILL

No. 296

Introduced by Senator Lowenthal

February 25, 2009

An act to amend Section 1368.015 of, and to add Sections 1367.29 and 1368.016 to, the Health and Safety Code, and to add Sections 10123.198 and 10123.199 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 296, as amended, Lowenthal. Mental health services.

Existing law provides for *the* licensing and regulation of health care service plans by the Department of Managed Health Care. Existing law provides for *the* regulation of health insurers by the Department of Insurance. A willful violation of provisions governing health care service plans is a crime. Existing law imposes certain requirements on health care service plans, specialized health care service plans, and health insurers that provide coverage for professional mental health services. Existing law also requires every health care service plan, other than a plan that primarily serves Med-Cal or Healthy Family Program enrollees, to maintain an Internet Web site.

This bill would, on and after July 1, 2011, require every health care service plan, including a specialized health care service plan, and health insurer that provides professional mental health services to issue an identification card, *as specified*, to each enrollee in order to assist the enrollee with accessing health benefits coverage information *and other*

information. The bill would require the identification card to be issued upon enrollment or commencement of coverage or upon any change in the enrollee's coverage that impacts the data content or format of the card. The bill would also require those plans and insurers to provide, on or before January 1, 2012, specified information on their Internet Web sites, to be updated as specified, and would require those insurers to establish Internet Web sites for that purpose. The bill would also require the departments to include on their Internet Web sites a link to the Internet Web site of each of those plans or insurers. The bill would also make changes to related provisions.

By imposing new requirements on certain health care service plans, the willful violation of which would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1367.29 is added to the Health and Safety
- 2 Code, to read:
- 3 1367.29. (a) On and after July 1, 2011, in accordance with the
- 4 requirements of subdivision (b), every health care service plan that
- 5 provides *coverage for* professional mental health services,
- 6 including a specialized health care service plan that provides
- 7 coverage for professional mental health services, shall issue an
- 8 identification card to each enrollee in order to assist the enrollee
- 9 with accessing health benefits coverage information, including,
- 10 but not limited to, in-network provider access information, and
- 11 claims processing purposes. The identification card, at a minimum,
- 12 shall include all of the following information:
- 13 (1) The name of the health care service plan issuing the
- 14 identification card.
- 15 (2) The enrollee's identification number.

1 (3) A telephone number that enrollees or providers may call for
2 assistance with health benefits coverage information, in-network
3 provider access information, and claims processing information;

4 ~~(4) A telephone number that enrollees may call to access, and~~
5 ~~when assessment services are provided by the health care service~~
6 ~~plan, access to assessment services for the purpose of referral to~~
7 ~~an appropriate level of care or an appropriate health care provider.~~

8 ~~(5)~~

9 (4) The health care service plan's Internet Web site address.

10 (b) The identification card required by this section shall be
11 issued by a health care service plan or a specialized health care
12 service plan to an enrollee upon enrollment or upon any change
13 in the enrollee's coverage that impacts the data content or format
14 of the card.

15 (c) Nothing in this section requires a health care service plan to
16 issue a separate identification card for professional mental health
17 services coverage if the plan issues a card for health care coverage
18 in general and the card provides the information required by this
19 section.

20 (d) If a health care service plan or a specialized health care
21 service plan, as described in subdivision (a), delegates
22 responsibility for issuing the identification card to a contractor or
23 an agent, the contractor or agent shall be required to comply with
24 this section.

25 (e) Nothing in this section shall be construed to prohibit a health
26 care service plan or a specialized health care service plan from
27 meeting the standards of the Workgroup for Electronic Data
28 Interchange (WEDI) or other national uniform standards with
29 respect to identification cards, *and a health care service plan shall*
30 *be deemed compliant with this section if the plan conforms with*
31 *these standards*, as long as the minimum requirements described
32 in subdivision (a) have been met.

33 (f) *For the purposes of this section, "identification card"*
34 *includes other technology that performs substantially the same*
35 *function as an identification card.*

36 (g) *This section shall not apply to Medicare supplement,*
37 *short-term limited duration health insurance, Champus-supplement*
38 *insurance, TRI-CARE supplement, or to hospital indemnity,*
39 *accident-only, and specified disease insurance. This section shall*

1 *also not apply to specialized health care service plans, except*
2 *behavioral health-only plans.*

3 SEC. 2. Section 1368.015 of the Health and Safety Code is
4 amended to read:

5 1368.015. (a) Effective July 1, 2003, every plan with an
6 Internet Web site shall provide an online form through its Internet
7 Web site that subscribers or enrollees can use to file with the plan
8 a grievance, as described in Section 1368, online.

9 (b) The Internet Web site shall have an easily accessible online
10 grievance submission procedure that shall be accessible through
11 a hyperlink on the Internet Web site's home page or member
12 services portal clearly identified as "GRIEVANCE FORM." All
13 information submitted through this process shall be processed
14 through a secure server.

15 (c) The online grievance submission process shall be approved
16 by the Department of Managed Health Care and shall meet the
17 following requirements:

18 (1) It shall utilize an online grievance form in HTML format
19 that allows the user to enter required information directly into the
20 form.

21 (2) It shall allow the subscriber or enrollee to preview the
22 grievance that will be submitted, including the opportunity to edit
23 the form prior to submittal.

24 (3) It shall include a current hyperlink to the California
25 Department of Managed Health Care Internet Web site, and shall
26 include a statement in a legible font that is clearly distinguishable
27 from other content on the page and is in a legible size and type,
28 containing the following language:

29
30 "The California Department of Managed Health Care is
31 responsible for regulating health care service plans. If you have a
32 grievance against your health plan, you should first telephone your
33 health plan at (insert health plan's telephone number) and use your
34 health plan's grievance process before contacting the department.
35 Utilizing this grievance procedure does not prohibit any potential
36 legal rights or remedies that may be available to you. If you need
37 help with a grievance involving an emergency, a grievance that
38 has not been satisfactorily resolved by your health plan, or a
39 grievance that has remained unresolved for more than 30 days,
40 you may call the department for assistance. You may also be

1 eligible for an Independent Medical Review (IMR). If you are
2 eligible for IMR, the IMR process will provide an impartial review
3 of medical decisions made by a health plan related to the medical
4 necessity of a proposed service or treatment, coverage decisions
5 for treatments that are experimental or investigational in nature
6 and payment disputes for emergency or urgent medical services.
7 The department also has a toll-free telephone number
8 (1-888-HMO-2219) and a TDD line (1-877-688-9891) for the
9 hearing and speech impaired. The department's Internet Web site
10 <http://www.hmoHELP.ca.gov> has complaint forms, IMR application
11 forms and instructions online.”
12

13 The plan shall update the URL, hyperlink, and telephone numbers
14 in this statement as necessary.

15 (d) A plan that utilizes a hardware system that does not have
16 the minimum system requirements to support the software
17 necessary to meet the requirements of this section is exempt from
18 these requirements until January 1, 2006.

19 (e) For purposes of this section, the following terms shall have
20 the following meanings:

21 (1) “Homepage” means the first page or welcome page of an
22 Internet Web site that serves as a starting point for navigation of
23 the Internet Web site.

24 (2) “HTML” means Hypertext Markup Language, the authoring
25 language used to create documents on the World Wide Web, which
26 defines the structure and layout of a Web document.

27 (3) “Hyperlink” means a special HTML code that allows text
28 or graphics to serve as a link that, when clicked on, takes a user
29 to another place in the same document, to another document, or
30 to another Internet Web site or Web page.

31 (4) “Member services portal” means the first page or welcome
32 page of an Internet Web site that can be reached directly by the
33 Internet Web site's homepage and that serves as a starting point
34 for a navigation of member services available on the Internet Web
35 site.

36 (5) “Secure server” means an Internet connection to an Internet
37 Web site that encrypts and decrypts transmissions, protecting them
38 against third-party tampering and allowing for the secure transfer
39 of data.

(6) “URL” or “Uniform Resource Locator” means the address of an Internet Web site or the location of a resource on the World Wide Web that allows a browser to locate and retrieve the Internet Web site or the resource.

(7) “Internet Web site” means a site or location on the World Wide Web.

(f) Every health care service plan, except a plan that primarily serves Medi-Cal or Healthy Families Program enrollees, shall maintain a Internet Web site. For a health care service plan that provides coverage for professional mental health services, the Internet Web site shall include, but not be limited to, providing information to subscribers, enrollees, and providers that will assist subscribers and enrollees in accessing mental health services as well as the information described in Section 1368.016.

SEC. 3. Section 1368.016 is added to the Health and Safety Code, to read:

1368.016. (a) On or before January 1, 2012, every health care service plan that provides coverage for professional mental health services, including a specialized health care service plan that provides coverage for professional mental health services, shall, pursuant to subdivision (f) of Section 1368.015, include on its Internet Web site, or provide a link to, the following information:

(1) A telephone number that the enrollee or provider can call, during normal business hours, for assistance obtaining mental health benefits coverage information, including the extent to which benefits have been exhausted, in-network provider access information, and claims processing information.

(2) A link to prescription drug formularies *or instructions on how to obtain the formulary*, as described in Section 1367.20.

(3) A detailed summary that describes the process by which the plan reviews and authorizes or approves, modifies, or denies requests for health care services as described in Sections 1363.5 and 1367.01.

(4) Lists of providers *or instructions on how to obtain the provider list*, as required by Section 1367.26.

(5) A detailed summary of the enrollee grievance process as described in Sections 1368 and 1368.015.

(6) A detailed description of how an enrollee may request continuity of care pursuant to subdivisions (a) and (b) of Section 1373.95.

1 (7) Information concerning the right, and applicable procedure,
2 of an enrollee to request an independent medical review pursuant
3 to Section 1374.30.

4 ~~(8) A link to the department's final report of the plan's periodic~~
5 ~~review as described in subdivision (h) of Section 1380.~~

6 ~~(9) Provider manual templates containing nonproprietary~~
7 ~~information provided to individual, group, and institutional~~
8 ~~providers who contract with the plan. The material described in~~
9 ~~this paragraph shall be updated within 30 days of any material~~
10 ~~change. An electronic notification of material changes shall be~~
11 ~~communicated to applicable contract providers immediately.~~

12 ~~(b) Except as otherwise specified, the Any modified material~~
13 ~~described in subdivision (a) shall be updated at least quarterly.~~

14 (c) The information described in subdivision (a) may be made
15 available through a secured Internet Web site that is only accessible
16 to enrollees.

17 (d) The material described in subdivision (a) shall also be made
18 available to enrollees in hard copy upon request.

19 (e) Nothing in this article shall preclude a health care service
20 plan from including additional information on its Internet Web
21 site for applicants, enrollees or subscribers, or providers, including,
22 but not limited to, the cost of procedures or services by health care
23 providers in a plan's network.

24 (f) The department shall include on the department's Internet
25 Web site a link to the Internet Web site of each health care service
26 plan and specialized health care service plan described in
27 subdivision (a).

28 *(g) This section shall not apply to Medicare supplement,*
29 *short-term limited duration health insurance, Champus-supplement*
30 *insurance, TRI-CARE supplement, or to hospital indemnity,*
31 *accident-only, and specified disease insurance. This section shall*
32 *also not apply to specialized health care service plans, except*
33 *behavioral health-only plans.*

34 SEC. 4. Section 10123.198 is added to the Insurance Code, to
35 read:

36 10123.198. (a) On and after July 1, 2011, in accordance with
37 the requirements of subdivision (b), every health insurer that
38 provides *coverage for* professional mental health services shall
39 issue an identification card to each insured in order to assist the
40 insured with accessing health benefits coverage information,

1 including, but not limited to, in-network provider access
2 information, and claims processing purposes. The identification
3 card, at a minimum, shall include all of the following information:

4 (1) The name of the health insurer issuing the identification
5 card.

6 (2) The insured's identification number.

7 (3) A telephone number that insureds or providers may call for
8 assistance with health benefits coverage information, in-network
9 provider access information, and claims processing information:

10 ~~(4) A telephone number that insureds may call to access, and~~
11 ~~when assessment services are provided by the health insurer;~~
12 ~~access to assessment services for the purpose of referral to an~~
13 ~~appropriate level of care or an appropriate health care provider.~~

14 ~~(5)~~

15 (4) The health insurer's Internet Web site address.

16 (b) The identification card required by this section shall be
17 issued by a health insurer to an insured upon commencement of
18 coverage or upon any change in the insured's coverage that impacts
19 the data content or format of the card.

20 (c) Nothing in this section requires a health insurer to issue a
21 separate identification card for professional mental health coverage
22 if the insurer issues a card for health care coverage in general and
23 the card provides the information required by this section.

24 (d) If a health insurer, as described in subdivision (a), delegates
25 responsibility for issuing the card to a contractor or agent, the
26 contractor or agent shall be required to comply with this section.

27 (e) Nothing in this section shall be construed to prohibit a health
28 insurer from meeting the standards of the Workgroup for Electronic
29 Data Interchange (WEDI) or other national uniform standards with
30 respect to identification cards, *and a health insurer shall be deemed*
31 *compliant with this section if the insurer conforms with these*
32 *standards*, as long as the minimum requirements described in
33 subdivision (a) have been met.

34 (f) *For the purposes of this section, "identification card"*
35 *includes other technology that performs substantially the same*
36 *function as an identification card.*

37 ~~(f)~~

38 (g) This section shall not apply to Medicare supplement,
39 short-term limited duration health insurance, Champus-supplement
40 insurance, TRI-CARE supplement, or to hospital indemnity,

1 accident-only, and specified disease insurance. This section shall
2 also not apply to specialized health insurance policies, except
3 behavioral health-only policies.

4 SEC. 5. Section 10123.199 is added to the Insurance Code, to
5 read:

6 10123.199. (a) On or before January 1, 2012, every health
7 insurer that provides coverage for professional mental health
8 services shall establish an Internet Web site. Each Internet Web
9 site shall include, or provide a link to, the following information:

10 (1) A telephone number that the insured or provider can call,
11 during normal business hours, for assistance obtaining mental
12 health benefits coverage information, including the extent to which
13 benefits have been exhausted, in-network provider access
14 information, and claims processing information.

15 (2) A link to prescription drug formularies *or instructions on*
16 *how to obtain formulary information.*

17 (3) A detailed summary description of the process by which the
18 insurer reviews and approves, modifies, or denies requests for
19 health care services as described in Section 10123.135.

20 (4) Lists of providers *or instructions on how to obtain a provider*
21 *list* as required by Section 10133.1.

22 (5) A detailed summary of the health insurer's grievance process.

23 (6) A detailed description of how the insured may request
24 continuity of care as described in Section 10133.55.

25 (7) Information concerning the right, and applicable procedure,
26 of the insured to request an independent medical review pursuant
27 to subdivision (i) of Section 10169.

28 ~~(8) A link to the results of any market conduct examinations of~~
29 ~~the insurer as required by Section 12938.~~

30 ~~(9) Provider manual templates containing nonproprietary~~
31 ~~information provided to individual, group, and institutional~~
32 ~~providers who contract with the insurer. The material described~~
33 ~~in this paragraph shall be updated within 30 days of any material~~
34 ~~change. An electronic notification of material changes shall be~~
35 ~~communicated to applicable contract providers immediately.~~

36 (b) Except as otherwise specified, the material described in
37 subdivision (a) shall be updated at least quarterly.

38 (c) The information described in subdivision (a) may be made
39 available through a secured Internet Web site that is only accessible
40 to the insured.

1 (d) The material described in subdivision (a) shall also be made
2 available to insureds in hard copy upon request.

3 (e) Nothing in this article shall preclude an insurer from
4 including additional information on its Internet Web site for
5 applicants or insureds, including, but not limited to, the cost of
6 procedures or services by health care providers in an insurer's
7 network.

8 (f) The department shall include on the department's Internet
9 Web site, a link to the Internet Web site of each health insurer
10 described in subdivision (a).

11 (g) This section shall not apply to Medicare supplement,
12 short-term limited duration health insurance, Champus-supplement
13 insurance, TRI-CARE supplement, or to hospital indemnity,
14 accident-only, and specified disease insurance. This section shall
15 also not apply to specialized health insurance policies, except
16 behavioral health-only policies.

17 SEC. 6. No reimbursement is required by this act pursuant to
18 Section 6 of Article XIII B of the California Constitution because
19 the only costs that may be incurred by a local agency or school
20 district will be incurred because this act creates a new crime or
21 infraction, eliminates a crime or infraction, or changes the penalty
22 for a crime or infraction, within the meaning of Section 17556 of
23 the Government Code, or changes the definition of a crime within
24 the meaning of Section 6 of Article XIII B of the California
25 Constitution.